

THE INFORMATION IN THIS BOX IS NOT A PART OF THE CONTRACT AND IS FOR COUNTY USE ONLY



Contract Number

SAP Number

Real Estate Services Department

| | |
|---|--------------------------------|
| Department Contract Representative | Terry W. Thompson, Director |
| Telephone Number | (909) 387-5000 |
| Contractor | Consolidated Fire Agencies |
| Contractor Representative | Nathan Cooke |
| Telephone Number | 909-356-2377 |
| Contract Term | Projected 6/1/2028 – 5/31/2047 |
| Original Contract Amount | 0.00 |
| Amendment Amount | 0.00 |
| Total Contract Amount | \$10,028,391.31 |
| Cost Center | 7810001000 |
| GRC/PROJ/JOB No. | |
| Internal Order No. | |

Briefly describe the general nature of the contract:

This Lease Agreement is for a period of twenty (20) years with one (1) five-year option to extend the term of the lease. Leased premises consist of approximately 18,652 square feet of office space within a portion of the County-owned Valley Communication Center to be located on APN's 027926117 (portion), 027927120 (portion), 027927117 (portion), and 027927116 (portion) in San Bernardino. County shall provide all interior and exterior maintenance, subject to reimbursement by TENANT in accordance with the Lease. CONFIRE agrees to make a one-time \$3,000,000 prepayment to the County, prior to occupying the premises.

FOR COUNTY USE ONLY

| | | |
|--|---|---|
| Approved as to Legal Form ► SEE SIGNATURE PAGE. John Tubbs II, Deputy County Counsel Date _____ | Reviewed for Contract Compliance ► _____ Date _____ | Reviewed/Approved by Department ► _____ Lyle Ballard, Real Property Manager, RESD Date _____ |
|--|---|---|

SAN BERNARDINO COUNTY

LEASE AGREEMENT

TENANT: Consolidated Fire Agencies
1743 W. Miro Way
Rialto, CA. 92376

COUNTY: San Bernardino County
Real Estate Services Department
385 N. Arrowhead Avenue, Third Floor
San Bernardino, Ca. 92415

PREMISES: Approximately 18,652 square feet located in the Valley
Communication Center development on APN#'s 027926117
(portion), 027927120 (portion), 027927117 (portion), and 027927116
(portion).

TERM OF LEASE: Twenty (20) years

OPTIONS: One (1) five-year option to extend the terms

COMMENCEMENT DATE OF LEASE: Both parties agree on substantial completion of
County improvements.

REVENUE PER YEAR: \$289,265.52

COUNTY CONTRACT NUMBER:

DOCUMENT REVISION DATE: July/2024

DATE TYPED: _____

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EXHIBIT "A" – Premises
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LEASE AGREEMENT

1. **PARTIES:** This lease is made between San Bernardino County ("COUNTY") as landlord, and Consolidated Fire Agencies ("TENANT") as tenant, who agree on the terms and conditions set forth in this Lease.

2. **PREMISES LEASED:** COUNTY leases to TENANT and TENANT leases from COUNTY approximately 18,652 square feet of office space within a portion of the County-owned Valley Communication Center to be located on APN#'s 027926117 (portion), 027927120 (portion), 027927117 (portion), and 027927116 (portion) in San Bernardino ("Property"), as the Premises is shown in Exhibit "A", Premises Depiction. Along with the Premises, TENANT shall have non-exclusive, shared use of the parking spaces, and eight (8) communication rack spaces located at the Property.

3. **TERM:** This lease shall commence on the date COUNTY has received Certificate of Occupancy and continue thereafter twenty (20) years after the commencement date (Term). In the event the Term commences prior to the date specified for the commencement of the Term as a result of COUNTY making the Premises available and TENANT's written acceptance of early possession of the Premises, the ending date of the Term shall remain the same. Rent for any partial month shall be prorated based on the actual number of days in the month.

4. **RENT:**

a. TENANT shall pay to COUNTY monthly rent for office and rack space in advance on the first day of each month on the Commencement Date, and continuing the first day each month of the duration of the initial term as more specifically provided here and below:

(i) Sixteen Thousand Nine Hundred Seventy-Three and 32/100 Dollars (\$16,973.32) for Office Space; and,

(ii) Seven Thousand One Hundred Thirty-Two and 14/100 Dollars (\$7,132.14) for nine (9) communication rack space(s).

- a. Rack space is determined by \$792.46 per rack space and subject to annual increases as provided in Paragraph 4.c.(ii).
- b. TENANT to provide COUNTY with a 30-Day notice of any changes to the number of rack space(s) used.
- c. Rack space rent shall be adjusted by the total number of rack space multiplied by the per rack space rent indicated in this Paragraph 4.a.(ii).

All rent for the initial term shall be paid to COUNTY at the address to which notices to County are given. COUNTY and TENANT agree that the monthly rent as set forth in this Paragraph 4.a. includes rent for the Premises and use of the parking spaces at the Property on a non-exclusive, shared basis.

b. TENANT agrees to make a one-time lump sum payment of \$3,000,000 due upon the Commencement Date as a rent contribution in support of the agreed rental rate in this Paragraph 4. RENT; (a).

c. The monthly rent set forth in Paragraph 4.a. shall be subject to an increase on each anniversary of the Commencement Date during the initial term as more specifically provided here and below:

(i) Office Space; 2% over the monthly rent due immediately prior to each such anniversary date.

(ii) Communication rack space; 3% over the monthly rent due immediately prior to each such anniversary date.

d. If any rent or any other sums due to the COUNTY is not paid when due and payable, TENANT shall pay to COUNTY an additional Fifty and 00/100 Dollars (\$50.00) for each rent or other sums due to COUNTY as an administrative processing charge. The parties agree that this late charge represents a fair and reasonable estimate of the costs that COUNTY will incur by reason of late payment by TENANT. Acceptance of any late charge shall not constitute a waiver of TENANT's default with respect to the overdue rent or other sums due or prevent COUNTY from exercising any of the other rights and remedies available to COUNTY. Rent and other sums not paid when due shall bear simple interest from date due at the rate of one and one-half percent (1½%) per month."

5. **OPTION TO EXTEND TERM:** COUNTY gives TENANT the option to extend the term of the Lease on the same provisions and conditions, except for the monthly rent, for one (1) five-year period ("extended terms") following expiration of the initial term, by TENANT giving notice of its intention to exercise the option to COUNTY at least six (6) months prior to the expiration of the initial term or the then current term. The rent for the extended term shall be adjusted by good faith negotiation of the parties to the fair market rental rate then prevailing based upon the rental rates of comparable leased property in San Bernardino County.

6. **RETURN OF PREMISES:** The TENANT agrees that it will, upon any termination of this lease, return the Premises in as good condition and repair as the Premises now are or shall hereafter be put; reasonable wear and tear excepted.

7. **TAXES:** TENANT shall pay before delinquency any and all property taxes, assessments, fees, or charges, including possessory interest taxes, which may be levied or assessed upon any personal property, improvements or fixtures installed or belonging to TENANT and located within the Premises. TENANT shall also pay all license or permit fees necessary or required by law for the conduct of its operation. TENANT recognizes and understands that this lease may create a possessory interest subject to property taxation and that TENANT may be subject to the payment of property taxes levied on such interest.

8. **USE:** TENANT shall occupy and use the Premises during the initial term and any extensions hereof for the purpose of emergency dispatching and other ancillary operations by TENANT.

9. **HOLDING OVER:** If the TENANT continues in possession of the Premises after the expiration of the Term or after any termination of this lease prior to the expiration of the Term, and if said occupancy is with the express consent of the COUNTY at its sole discretion, the tenancy shall be deemed to be a tenancy from month-to-month upon the same terms and conditions, including the monthly rent, as existed and prevailed at the time of the expiration of the term of this Lease, and either party shall have the right to terminate the Lease on not less than thirty (30) days prior written notice.

10. **HEALTH, SAFETY AND FIRE CODE REQUIREMENTS:** COUNTY shall ensure the Premises meet the applicable requirements of the Health, Safety, Fire and Building Codes, including any requirements for a notice of completion, certificate of occupancy and the Americans with Disabilities Act ("ADA"). Should the continued occupancy of the leased Premises be in any way prejudiced or prevented due to changes in the ADA or the Health, Safety or Fire Codes, the TENANT herein shall correct, update and comply with said changes at TENANT's cost.

11. **SIGNS:** TENANT will display from the windows and/or marquee of the Premises only such sign or signs as are not prohibited by law, and which are approved by COUNTY.

12. **MAINTENANCE:**

a. COUNTY at its cost shall maintain in good condition all portions of the Premises, including but not limited to the following:

(1) The structural parts of the building and other improvements that are a part of the Premises, which structural parts include the foundations, bearing and exterior walls (including glass and doors), subflooring, and roof;

(2) The electrical, plumbing, and sewage systems, including, without limitation, those portions of the systems lying outside the Premises;

(3) Window frames, gutters, and downspouts on the building and other improvements that are a part of the Premises;

(4) Air conditioner, heating and ventilating systems servicing the Premises (additionally, air conditioning and heating filters are to be changed quarterly);

(5) The grounds, including all parking areas and outside lighting, grass, trees, shrubbery and other flora, and;

(6) Interior maintenance and janitorial services.

b. TENANT at its cost shall repair the Premises if they are damaged by any act of TENANT or its staff, employees, authorized representatives, and its vendors.

c. TENANT shall have ten (10) days after notice from COUNTY to perform its obligation under this paragraph, except that TENANT shall perform its obligations immediately if the nature of the problem presents a material hazard or emergency. Provided, however, if the nature and/or extent of TENANT's obligation is such that more than ten (10) days are reasonably required to complete, then TENANT shall not be in default if TENANT commences its obligation within said ten (10) day period and thereafter diligently prosecutes its obligation to completion. If TENANT does not perform its obligations within the time limitations in this paragraph, COUNTY after notice to TENANT can perform the obligations and have the right to be reimbursed for the sum it actually and reasonably expends (including charges for COUNTY employees and equipment) in the performance of TENANT's obligations. Any notice or demand concerning a material hazard or emergency may be made orally, by telephone or otherwise, provided that written confirmation is given within five (5) days after the oral notice or demand is made. Such confirmation shall be made as provided in **Paragraph 20, NOTICES.**

13. **ALTERATIONS:** TENANT shall not make any structural or exterior improvements or alterations to the Premises without the COUNTY's consent. Any alterations made shall remain on and be surrendered with the Premises on expiration or termination of the lease.

14. **FIXTURES:** TENANT shall have the right during the Term(s) of this lease to install shelving and fixtures, and make interior, non-structural improvements or alterations in the Premises. Such shelving, fixtures, improvements, and alterations shall remain the property of the TENANT and may be removed by the TENANT during the Term(s) of this lease or within a reasonable time thereafter, provided that the TENANT restores the Premises to the condition as it existed at the commencement of this lease, reasonable wear and tear excluded, or the TENANT in its sole discretion may elect to surrender all or any part of such shelving, fixture, improvements and alterations to the COUNTY, in which case TENANT shall have no duty to restore the Premises. Any such election to surrender must be in writing and accepted by COUNTY to be effective.

15. **UTILITIES:** COUNTY shall furnish to the Premises and pay all service charges and related taxes for water, trash, sewer and all other utilities. The TENANT shall furnish and pay for its own telephone service.

16. **INDEMNIFICATION:** The TENANT agrees to indemnify, defend (with counsel reasonably approved by COUNTY) and hold harmless the COUNTY and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising out of this contract from any cause whatsoever, including the acts, errors or omissions of any person and for any costs or expenses incurred by the COUNTY on account of any claim except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of indemnities. The TENANT's indemnification obligation applies to the COUNTY's "active" as well as "passive" negligence but does not apply to the COUNTY's "sole negligence" or "willful misconduct" within the meaning of Civic Code Section 2782.

17. **INSURANCE REQUIREMENTS AND SPECIFICATIONS:**

a. COUNTY is a public entity and is self-insured.

b. The TENANT agrees to provide insurance set forth in accordance with the requirements herein. If the TENANT uses existing coverage to comply with these requirements and that coverage does not meet the specified requirements, the TENANT agrees to amend, supplement or endorse the existing coverage to do so. The type(s) of insurance required is determined by the scope of the lease hereunder.

Without in anyway affecting the indemnity herein provided and in addition thereto, the TENANT shall secure and maintain throughout the contract term the following types of insurance with limits as shown:

(1) **Workers' Compensation/Employers Liability** – A program of Workers' Compensation insurance or a state-approved, self-insurance program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with \$250,000 limits covering all persons including volunteers providing services on behalf of the TENANT and all risks to such persons under this lease agreement.

If TENANT has no employees, it may certify or warrant to the COUNTY that it does not currently have any employees or individuals who are defined as “employees” under the Labor Code and the requirement for Workers’ Compensation coverage will be waived by the COUNTY’s Director of Risk Management.

If TENANT is a non-profit corporation, organized under California or Federal law, volunteers for TENANT are required to be covered by Workers’ Compensation insurance.

(2) Commercial/General Liability Insurance – The TENANT shall carry General Liability Insurance covering all operations performed by or on behalf of the TENANT providing coverage for bodily injury and property damage with a combined single limit of not less than one million dollars (\$1,000,000), per occurrence. The policy coverage shall include:

- (a) Premises operations and mobile equipment.
- (b) Products and completed operations.
- (c) Broad form property damage (including completed operations).
- (d) Personal injury
- (e) Contractual liability.
- (f) \$2,000,000 general aggregate limit.

(3) Commercial Property Insurance providing all risk coverage for the leased premises, building, fixtures, equipment and all property constituting a part of the premises. Coverage shall be sufficient to insure One Hundred percent (100%) of the replacement cost.

(4) Automobile Liability Insurance – Primary insurance coverage shall be written on ISO Business Auto coverage form for all owned, hired and non-owned automobiles or symbol 1 (any auto). The policy shall have a combined single limit of not less than one million dollars (\$1,000,000) for bodily injury and property damage, per occurrence.

(5) Umbrella Liability Insurance - An umbrella (over primary) or excess policy may be used to comply with limits or other primary coverage requirements. When used, the umbrella policy shall apply to bodily injury/property damage, personal injury/advertising injury and shall include a “dropdown” provision providing primary coverage for any liability not covered by the primary policy. The coverage shall also apply to automobile liability.

c. Additional Insured – All policies, except for the Workers’ Compensation, shall contain endorsements naming the COUNTY and their officers, employees, agents and volunteers as additional insureds with respect to liabilities arising out of the use under this lease hereunder. The additional insured endorsements shall not limit the scope of coverage for the COUNTY to vicarious liability but shall allow coverage for the COUNTY to the full extent provided by the policy. Such additional insured coverage shall be at least as broad as Additional Insured (Form B) endorsement form ISO, CG 2010.11 85.

d. Waiver of Subrogation Rights – The TENANT shall require the carriers of required coverages to waive all rights of subrogation against the COUNTY, their officers, employees, agents, volunteers, contractors and subcontractors. All general or auto liability insurance coverage provided shall not prohibit the TENANT and TENANT’s employees or agents from

waiving the right of subrogation prior to a loss or claim. The TENANT hereby waives all rights of subrogation against the COUNTY.

e. Policies Primary and Non-Contributory – All policies required herein are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by the COUNTY.

f. Severability of Interests – The TENANT agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and there will be no cross liability exclusions that preclude coverage for suits between the TENANT and the COUNTY or between the COUNTY and any other insured or additional insured under the policy.

g. Proof of Coverage – The TENANT shall furnish Certificates of Insurance to the San Bernardino County Real Estate Services Department (RES D) administering the lease evidencing the insurance coverage, including endorsements, as required, prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to RES D, and TENANT shall maintain such insurance from the time TENANT commences use under the lease hereunder until the end of the period of the lease. Within fifteen (15) days of the commencement of this contract, the TENANT shall furnish a copy of the Declaration page for all applicable policies and will provide complete certified copies of the policies and endorsements immediately upon request.

h. Acceptability of Insurance Carrier – Unless otherwise approved by the COUNTY Department of Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum “Best” Insurance Guide rating of “A- VII”.

i. Insurance Review – Insurance requirements are subject to periodic review by the COUNTY. The COUNTY’s Director of Risk Management or designee is authorized, but not required, to reduce, waive or suspend any insurance requirements whenever the COUNTY’s Department of Risk Management determines that any of the required insurance is not available, is unreasonably priced, or is not needed to protect the interests of the COUNTY. In addition, the COUNTY’s Director of Risk Management or designee is authorized, but not required, to change the above insurance requirements to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against the COUNTY, inflation, or any other item reasonably related to the COUNTY’s risk.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this lease. TENANT agrees to execute any such amendment within thirty (30) days of receipt.

Any failure, actual or alleged, on the part of RES D or COUNTY to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of RES D or the COUNTY.

j. Failure to Procure Insurance. All insurance required must be maintained in force at all times by TENANT. Failure to maintain said insurance, due to expiration, cancellation, etc., shall be cause for the COUNTY to give notice to immediately suspend all TENANT’s business activities on the Premises. Failure to reinstate said insurance within the (10) days of notice to do so shall be cause for termination and for forfeiture of this agreement, and/or COUNTY, at its discretion, may procure or renew such insurance and pay any and all premiums in connection therewith, and all

monies so paid by COUNTY shall be repaid by TENANT to COUNTY upon demand but only for the pro rata period of non-compliance.

k. COUNTY shall have no liability for any premiums charged for such coverage(s). The inclusion of COUNTY as additional named insured is not intended to and shall not make a partner or joint venturer with TENANT in TENANT's operations.

l. The TENANT agrees to require all parties or subcontractors, or others it hires or contracts with related to the use of this lease to provide insurance covering such use with the basic requirements and naming the COUNTY as additional insured. LICENSEE agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided as required herein.

18. **DESTRUCTION OF PREMISES:**

a. If during the Term of this lease, any casualty renders twenty-five percent (25%) or less of the floor space of the leased Premises unusable for the purpose intended, COUNTY shall commence restoration of the Premises within sixty (60) days of notice of the casualty and shall thereafter complete restoration of the Premises within a reasonable time. If COUNTY does not commence the restoration obligations of this subparagraph within the time limitation set forth, TENANT may thereafter terminate this lease by written notice to COUNTY at any time prior to COUNTY commencing restoration.

b. If during the Term of this lease, any casualty renders more than twenty-five percent (25%) but less than fifty percent (50%) of the floor space of the leased Premises unusable for the purpose intended, COUNTY, in its sole discretion, may either commence restoration of the Premises within ninety (90) days of notice of the casualty and shall thereafter complete restoration of the Premises within a reasonable time, or COUNTY may terminate this lease by written notice to TENANT. If COUNTY does not commence the restoration obligations of this subparagraph within the time limitation set forth, TENANT may thereafter terminate this lease by written notice to COUNTY at any time prior to COUNTY commencing restoration.

c. If during the Term of the lease, any casualty renders fifty percent (50%) or more of the floor space of the leased Premises unusable for the purpose intended, this lease shall be terminated as of the date of the casualty. If the lease is terminated pursuant to this subparagraph, TENANT shall have a reasonable time to vacate the Premises and shall not be required to pay rent during the reasonable time required to vacate the Premises.

d. In the event there is a destruction of a portion of the leased Premises as set out in paragraphs "A" or "B" above, there shall be an abatement or reduction of the rent between the date of destruction and the date of completion of restoration or the date of termination of this lease, whichever comes first. The abatement or reduction of the rent shall be in the percentage as the percentage of unusable floor space. Unusable floor space for the purpose of calculating the percentage of rent abatement or reduction shall include not only that floor space which is rendered unusable for the purpose intended by the casualty itself, but any additional floor space which is not usable for the purpose intended because of restoration or similar activities.

e. In the event there is a destruction of a portion of the leased Premises as set out in paragraphs "A" or "B" above, and the lease is not terminated because of such destruction, TENANT agrees to pay to COUNTY any and all insurance proceeds received for said destruction for COUNTY use in the restoration of the Premises.

f. In the event COUNTY is required to restore the Premises as provided in this paragraph, COUNTY shall restore, at its expense, any structural or exterior improvements or alterations to the Premises made by TENANT pursuant to **Paragraph 13, ALTERATIONS**, of this lease, but shall not have to restore any shelving, fixtures, or interior nonstructural improvements or alteration made by the TENANT pursuant to **Paragraph 14, FIXTURES**, of this lease.

g. It is the purpose and intent of this paragraph to determine who shall bear the initial responsibility for restoration of the Premises in the event of any such destruction and not to determine the party responsible for the ultimate costs of such restoration.

19. **COUNTY'S ACCESS TO PREMISES:** COUNTY and its authorized representatives shall have the right to enter the Premises at all reasonable times for any of the following purposes:

- a. To determine whether the Premises are in good condition;
- b. To do any necessary maintenance and to make any restoration to the Premises that COUNTY has the right or obligation to perform.
- c. To serve, post, or keep posted any notices required by law;
- d. To post "for sale" signs at any time during the Term, to post "for rent" or "for lease" signs during the last three (3) months of the Term, and;
- e. To show the Premises to prospective brokers, agents, buyers, tenants, lenders or persons interested in an exchange, at any time during the Term.

COUNTY shall conduct its activities on the Premises as allowed in this paragraph in a manner that will cause the least possible inconvenience, annoyance, or disturbance to TENANT.

20. **NOTICES:** Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party or any other person, including notices under the California unlawful detainer statutes, shall be in writing and either served personally or sent by prepaid, first-class mail. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party shall be addressed to the other party at the address set forth below. Either party may change its address by notifying the other party of the change of address. Notice shall be deemed communicated two (2) COUNTY working days from the time of mailing if mailed as provided in this paragraph.

TENANT's address: Consolidated Fire Agencies
1743 W. Miro Way
Rialto, CA. 92376

COUNTY's address: San Bernardino County
Real Estate Services Department
385 North Arrowhead Avenue, Third Floor
San Bernardino, CA 92415

21. **INCORPORATION OF PRIOR AGREEMENT:** This lease contains all of the agreements of the parties hereto with respect to any matter covered or mentioned in this lease, and no prior agreement or understanding pertaining to any such matter shall be effective for any purpose.

22. **WAIVERS:** No waiver by either party of any provisions of this lease shall be deemed to be a waiver of any other provision hereof or of any subsequent breach by either party of the same or any other provisions.
23. **AMENDMENTS:** No provision of this lease may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successor in interest, expressing by its terms an intention to modify this lease.
24. **SUCCESSORS:** This lease shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors, and assigns of the parties hereto.
25. **SEVERABILITY:** If any word, phrase, clause, sentence, paragraph, section, article, part or portion of this lease is or shall be invalid for any reason, the same shall be deemed severable from the remainder hereof and shall in no way affect or impair the validity of this lease or any other portion thereof.
26. **TIME OF ESSENCE:** Time is of the essence of each provision of this lease which specifies a time within which performance is to occur. In the absence of any specific time for performance, performance may be made within a reasonable time.
27. **QUIET ENJOYMENT:** Subject to the provisions of this Lease and conditioned upon performance of all the provisions to be performed by TENANT hereunder, COUNTY shall secure to TENANT during the lease Term of this Lease the quiet and peaceful possession of the Premises and all right and privilege appertaining thereto.
28. **PROVISIONS ARE COVENANTS AND CONDITIONS:** All provisions, whether covenants or conditions, on the part of either party shall be deemed to be both covenants and conditions.
29. **CONSENT:** Whenever consent or approval of either party is required that party shall not unreasonably withhold or delay such consent or approval.
30. **EXHIBITS:** All exhibits referred to are attached to this lease and incorporated by reference.
31. **LAW:** This lease shall be construed and interpreted in accordance with the laws of the State of California.
32. **RESERVED:**
33. **ATTORNEYS' FEES AND COSTS:** If any legal action is instituted to enforce or declare any party's rights hereunder, including the prevailing party, must bear its own costs and attorneys' fees. This paragraph shall not apply to those costs and attorneys' fees directly arising from any third party legal action against a party hereto and payable under **Paragraph 16, INDEMNIFICATION.**
34. **VENUE:** The parties acknowledge and agree that this lease was entered into and intended to be performed in the Superior Court of the State of California, County of San Bernardino, San Bernardino District. The parties agree that the venue for any action or claim brought by any party to this lease will be San Bernardino County. Each party hereby waives any law, statute (including but not limited to Code of Civil Procedure section 394), or rule of court which would allow them to request or demand a change of venue. If any action or claim concerning this lease is brought by any

third party, the parties hereto agree to use their best efforts to obtain a change of venue to the Superior Court of the State of California, County of San Bernardino, San Bernardino District.

35. **CAPTIONS, TABLE OF CONTENTS AND COVER PAGE:** The paragraph captions, table of contents and the cover page of this lease shall have no effect on its interpretations.

36. **SURVIVAL:** The obligations of the parties which, by their nature, continue beyond the Term of this lease, will survive the termination of this lease.

37. **BROKER'S COMMISSIONS:** COUNTY and TENANT agree that neither party are being represented by real estate brokers and no commissions are owed for any transactions related to this lease.

38. **ESTOPPEL CERTIFICATES:** Each party within thirty (30) days after notice from the other party, shall execute and deliver to other party, in recordable form, a certificate stating that this lease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. The certificate also shall state the amount of minimum monthly rent, the dates to which the rent has been paid in advance, the amount of any security deposit or prepaid rent, and that there are no uncured defaults or specifying in reasonable detail the nature of any uncured default claimed. Failure to deliver the certificate within thirty (30) days shall be conclusive upon the party requesting the certificate and any successor to the party requesting the certificate, that this lease is in full force and effect and has not been modified except as may be represented by the party requesting the certificate, and that there are no uncured defaults on the part of the party requesting the certificate. The estoppel certificate shall be in the form provided by San Bernardino County.

39. **RESERVED.**

40. **ASSIGNMENT AND SUBLETTING:**

a. TENANT shall not voluntarily assign or encumber its interest in this lease or in the Premises or any options contained in this lease or sublease, all or any part of the Premises, or allow any other person or entity (except TENANT's authorized representatives) to occupy or use all or any part of the Premises, without first obtaining COUNTY's consent. Any assignment, encumbrance, or sublease without COUNTY's consent shall be voidable and, at COUNTY's election, shall constitute a default. No consent to any assignment, encumbrance, or sublease shall constitute a further waiver of the provisions of this paragraph.

(1) If TENANT is a partnership, a withdrawal or change, voluntary, involuntary, or by operation of law, of any partner, or the dissolution of the partnership, shall be deemed a voluntary assignment.

(2) If TENANT consists of more than one person, a purported assignment, voluntary, involuntary, or by operation of law, from one person to any other shall be deemed a voluntary assignment.

(3) If TENANT is a corporation, any dissolution, merger, consolidation, or other reorganization of TENANT, or the sale or other transfer of a controlling percentage of the capital stock of TENANT, or the sale of more than fifty percent (50%) of the value of the assets of TENANT, shall be deemed a voluntary assignment. The phrase "controlling percentage" means the ownership of, and the right to vote, stock possessing more than fifty percent (50%) of the total combined voting power of all classes of TENANT's capital stock

issued, outstanding, and entitled to vote for the election of directors. This paragraph shall not apply to corporations the stock of which is traded through an exchange or over the counter.

b. TENANT immediately and irrevocably assigns to COUNTY, as security for TENANT's obligations under this lease, all rent from any subletting of all or a part of the Premises as permitted by this lease, and COUNTY, as assignee and as attorney-in-fact for TENANT, or a receiver for TENANT appointed on COUNTY's application, may collect such rent and apply it toward TENANT's obligations under this lease; except that, until the occurrence of an act of default by TENANT, TENANT shall have the right to collect such rent.

c. Fifty percent (50%) of all rent received by TENANT from its subtenants in excess of the rent payable by TENANT to COUNTY under this lease shall be paid to COUNTY, or fifty percent (50%) of any sums to be paid by an assignee to TENANT in consideration of the assignment of this lease or any option herein shall be paid to COUNTY.

d. No interest of TENANT in this lease shall be assignable by operation of law (including, without limitation, the transfer of this lease by testacy or intestacy). Each of the following acts shall be considered an involuntary assignment:

(1) If TENANT is or becomes bankrupt or insolvent, makes an assignment for the benefit of creditors, or institutes a proceeding under the Bankruptcy Act in which TENANT is the bankrupt; or, if TENANT is a partnership or consists of more than one person or entity, if any partner of the partnership or other person or entity is or becomes bankrupt or insolvent, or makes an assignment for the benefit of creditors;

(2) If a writ of attachment or execution is levied on this lease;

(3) If, in any proceeding or action to which TENANT is a party, a receiver is appointed with authority to take possession of the Premises.

e. An involuntary assignment shall constitute a default by TENANT and COUNTY shall have the right to elect to terminate this lease, in which case this lease shall not be treated as an asset of TENANT, unless the involuntary assignment is cured as follows:

(1) If a writ of attachment or execution is levied on this lease, TENANT shall have ten (10) days in which to cause the attachment or execution to be removed.

(2) If any involuntary proceeding in bankruptcy is brought against TENANT, or if a receiver is appointed, TENANT shall have sixty (60) days in which to have the involuntary proceeding dismissed or the received removed.

(3) Except as provided in (1) and (2) above, TENANT shall have no right to cure any involuntary assignment.

41. **TERMINATION:** COUNTY may terminate this lease by giving TENANT a twenty-four (24) month prior notice of the termination.

42. **FORMER COUNTY OFFICIALS:** TENANT agrees to provide or has already provided information on former COUNTY administrative officials (as defined below) who are employed by or

represent TENANT. The information provided includes a list of former COUNTY administrative officials who terminated COUNTY employment within the last five years and who are now officers, principals, partners, associates or members of the business. The information also includes the employment with or representation of TENANT. For purposes of this provision, "COUNTY administrative official" is defined as a member of the Board of Supervisors or such officer's staff, COUNTY Administrative Officer or member of such officer's staff, COUNTY department or group head, assistant department or group head, or any employee in the Exempt Group, Management Unit or Safety Management Unit. (See Exhibit "B", List of Former County Officials.)

43. **MISREPRESENTATIONS:** If during the course of the administration of this lease, the COUNTY determines that the TENANT has made a material misstatement or misrepresentation or that materially inaccurate information has been provided to the COUNTY, this lease may be immediately terminated. If this lease is terminated according to this provision, the COUNTY is entitled to pursue any available legal remedies.

44. **DISCLOSURE:** All information received by the COUNTY from any source concerning this lease, including the lease itself, may be treated by the COUNTY as public information subject to disclosure under the provisions of the California Public Records Act, Government Code section 7920.000 *et seq.* (the "Public Records Act"). TENANT understands that although all materials received by the COUNTY in connection with this contract are intended for the exclusive use of the COUNTY, they are potentially subject to disclosure under the provisions of the Public Records Act. In the event a request for disclosure of any part or all of any information which a TENANT has reasonably requested COUNTY to hold in confidence is made to the COUNTY, the COUNTY shall notify the TENANT of the request and shall thereafter disclose the requested information unless the TENANT, within five (5) days of receiving notice of the disclosure request, requests nondisclosure, provides COUNTY a legally sound basis for the nondisclosure, and agrees to indemnify, defend, and hold the COUNTY harmless in any/all actions brought to require disclosure. TENANT waives any and all claims for damages, lost profits, or other injuries of any and all kinds in the event COUNTY fails to notify TENANT of any such disclosure request and/or releases any information concerning the contract received from the TENANT or any other source.

45. **DEFAULT AND RIGHT TO TERMINATE:**

a. Definitions. A "Default" by TENANT shall refer to any failure by TENANT to observe, comply with or perform any of the terms, covenants, conditions or rules applicable to TENANT under this lease. The term "Breach" shall refer to the occurrence of any one or more of the following Defaults, and, where a grace period for cure after notice is specified herein, the failure of TENANT to cure such Default prior to the expiration of the applicable grace period:

(1) TENANT's unexcused failure to conduct TENANT's business at the Premises in accordance with the terms of this lease including but not limited to the failure to comply with the limitations of use of the Premises.

(2) Vacating the Premises without the evident intention to reoccupy same, an abandonment of the Premises, or notice of intent to abandon Premises expressed in written notice.

(3) TENANT's failure to make any payment of monthly rent, or any other monetary payment required to be made by TENANT hereunder as and when due, the failure of TENANT to provide COUNTY with reasonable evidence of insurance or surety bond required under this lease, or TENANT's failure to fulfill any obligation under this lease

which endangers or threatens life or property, where such failure continues for a period of three (3) days, or such reasonable time as agreed by COUNTY, following written notice thereof by or on behalf of COUNTY to TENANT.

(4) The failure by TENANT to provide COUNTY with reasonable written evidence (in duly executed original form, if applicable) of any documentation or information which COUNTY may reasonably require of TENANT under the terms of this lease, where any such failure continues for a period of ten (10) days following written notice by or on behalf of COUNTY to TENANT.

(5) A Default by TENANT as to any of the other terms, covenants, conditions or provisions of this lease that are to be observed, complied with or performed by TENANT where such Default continues for a period of thirty (30) days after written notice thereof by or on behalf of COUNTY to TENANT; provided, however, that if the nature of TENANT's Default is such that more than thirty (30) days are reasonably required for its cure, then it shall not be deemed to be a Breach of this lease by TENANT if TENANT commences such cure within said thirty (30) day period and thereafter continuously and diligently prosecutes such cure to completion.

(6) A Default by TENANT as to the terms of any Approved Encumbrance, where such Default continues for a period of thirty (30) days after written notice thereof by or on behalf of COUNTY;

(7) The occurrence of any of the following events: (a) the making by TENANT of an assignment for the benefit of creditors; (b) TENANT's becoming a "debtor" as defined in 11 U.S. Code Section 101 or any successor statute thereto (unless, in the case of a petition filed against TENANT, the same is dismissed within sixty (60) days); (c) the appointment of a trustee or receiver to take possession of substantially all of TENANT's assets located at the Premises or of TENANT's interest in this lease, where possession is not restored to TENANT within thirty (30) days; or (d) the attachment, execution or other judicial seizure of substantially all of TENANT'S assets located at the Premises or of TENANT's interest in this lease, where such seizure is not discharged within thirty (30) days.

b. Remedies.

(1) Other than when a different time or remedy is specifically provided, such as for the payment of rent, if TENANT fails to perform any affirmative duty or obligation of TENANT under this lease within ten (10) days after written notice to TENANT (or in case of an emergency, without notice), COUNTY may at its option (but without obligation to do so), perform such duty or obligation on TENANT's behalf, including, but not limited to, the obtaining of reasonably required, insurance policies, or governmental licenses, permits or approvals. The costs and expenses of any such performance by COUNTY shall be due and payable by TENANT to COUNTY within ten (10) days of COUNTY's demand.

(2) In the event of a Breach of this lease by TENANT (as defined above), with or without further notice or demand, and without limiting COUNTY in the exercise of any right or remedy which COUNTY may have by reason of such Breach, COUNTY may:

(a) Terminate TENANT's right to possession of the Premises by any lawful means, in which case this Lease and the term hereof shall terminate, and TENANT

shall immediately surrender possession of the Premises to COUNTY. In such event COUNTY shall be entitled to recover from TENANT: (i) the worth at the time of the award of the unpaid rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that the TENANT proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the Term after the time of award exceeds the amount of such rental loss that the TENANT proves could be reasonably avoided; and (iv) any other amount necessary to compensate COUNTY for all the detriment proximately caused by the TENANT's failure to perform its obligations under this lease or which in the ordinary course of things would be likely to result therefrom, including, but not limited to, the cost of recovering possession of the Premises, expenses of reletting, including necessary renovation and alteration of the Premises, and that portion of any leasing commission paid by COUNTY in connection with this lease and applicable to the unexpired term of this lease. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco or the Federal Reserve Bank District in which the Premises are located at the time of award plus one percent (1%). COUNTY's attempt to mitigate damages caused by TENANT's Default or Breach of this lease shall not waive COUNTY's right to recover damages under this Paragraph. If termination of this lease is obtained through the provisional remedy of unlawful detainer, COUNTY shall have the right to recover in such proceeding the unpaid rent and damages as are recoverable therein, or COUNTY may reserve the right to recover all or any part thereof in a separate suit for such rent and/or damages.

(b) Continue this Lease and TENANT's right to possession in effect under California Civil Code Section 1951.4 after TENANT's Breach and recover the rent as it becomes due, provided TENANT has the right to sublet or assign, subject only to reasonable limitations. COUNTY and TENANT agree that the limitations on assignment and subletting in this lease are reasonable. COUNTY's maintenance of the Premises or efforts to relet the Premises, or the appointment of a receiver to protect the COUNTY's interest under this lease, shall not constitute a termination of the TENANT'S right to possession.

(c) Pursue any other remedy now or hereafter available to COUNTY under the laws or judicial decisions of the State of California.

(3) If, at any time TENANT is in default in monthly rent or fees or any other provision for forty-five (45) days, or if TENANT defaults on any provision(s) three (3) times within any twelve (12) consecutive months, and TENANT has not reasonably demonstrated action to cure defaults, COUNTY may terminate this lease with a thirty (30) day notice.

(a) **Survival of Indemnity Provisions.** The expiration or termination of this Lease and/or the termination of TENANT's right to possession shall not relieve the Parties from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the Term or by reason of TENANT's occupancy of the Premises.

(b) **Tenant's Personal Property.** Immediately upon termination of this lease, TENANT covenants and agrees to remove all of TENANT's personal property, machinery or fixtures from the Premises. If TENANT fails to remove any such personal property, COUNTY may remove such personal property and place the same in storage at

the expense of TENANT and without liability to COUNTY for losses. TENANT agrees to pay COUNTY for all expenses incurred by COUNTY in connection with the removal, and storage charges of TENANT's personal property, including attorney's fees and court costs. Alternatively, COUNTY may at its option and on not less than ten (10) days written notice to TENANT sell all or any part of said personal property at public or private sale for such prices as COUNTY may obtain. COUNTY shall apply the proceeds of any such sale

(c) **No Waiver by County.** COUNTY's receipt of any rent or of any other sum of money paid by TENANT after the termination and forfeiture of this lease, or after the giving by COUNTY of any notice to effect such termination, shall not waive the Default, reinstate, continue or extend the Term of this Lease, or destroy or impair the efficacy of COUNTY's notice of termination, unless otherwise agreed in writing by COUNTY. COUNTY's acceptance of the keys to the Premises or any other act of the COUNTY or its agents or employees during the Term of this lease shall not be deemed to be an acceptance or a surrender of the Premises, unless otherwise agreed in writing by COUNTY.

46. **RESERVED**

47. **INTERPRETATIONS:** As this Lease was jointly prepared by both parties, the language in all parts of this agreement shall be construed, in all cases, according to its fair meaning, and not for or against either party hereto.

48. **ENTIRE AGREEMENT:** This Lease, including recitals, constitutes a single, integrated contract, expressing the entire agreement and understanding of the parties concerning the subject matter of this Lease, and this Lease supersedes and replaces all prior understandings, negotiations, proposed agreements and agreements, whether oral or written, express or implied.

49. **AUTHORIZED SIGNATORS:** The parties to this lease represent that the signators executing this lease are fully authorized to enter into this agreement.

50. **COUNTERPARTS:** The Lease may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same Lease. The parties shall be entitled to sign and transmit an electronic signature of this Lease (whether by facsimile, PDF or other email transmission), which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Lease upon request.

END OF LEASE TERMS.

SAN BERNARDINO COUNTY

CONSOLIDATED FIRE AGENCIES

By: _____
Dawn Rowe, Chair
Board of Supervisors

By: _____
Nathan Cooke

Title: _____

Date: _____

Date: _____

SIGNED AND CERTIFIED THAT A COPY OF
THIS DOCUMENT HAS BEEN DELIVERED
TO THE CHAIRMAN OF THE BOARD

By: _____
(name)

Lynna Monell
Clerk of the Board of Supervisors
San Bernardino County

Title: _____

Date: _____

By: _____
Deputy

Date: _____

Approved as to Legal Form:

TOM BUNTON, County Counsel
San Bernardino County, California

By: _____
John Tubbs II, Deputy County Counsel

Date: _____

EXHIBIT "A"

Premises

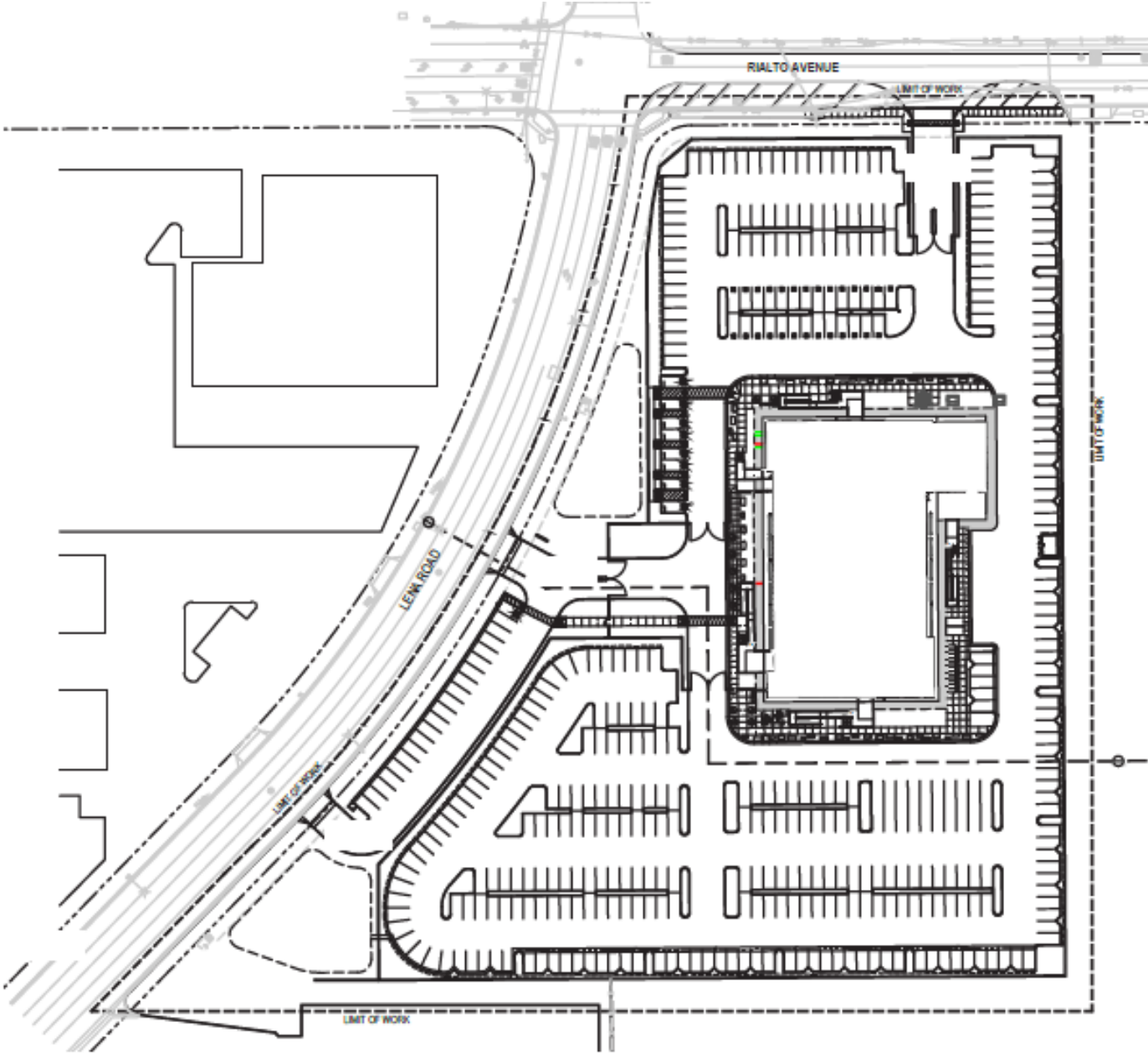


EXHIBIT "B"
LIST OF FORMER COUNTY OFFICIALS